

UNITED STATES
PATENT AND TRADEMARK OFFICE



Enforcement of Plant Variety IPR in the U.S.

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Plant Protection in the U.S.

- **Plant Variety Protection Act**
 - 7 U.S.C. §§ 2321 et seq.
- **Plant Patent**
 - 35 U.S.C. §§ 161-164
- **Utility Patent**
 - 35 U.S.C. §§ 101 et. seq. (102, 103, 112)
- **Trade Secret Law**
 - 18 U.S.C. § 1836(b)
- **Contract Law**



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Infringement

- **Patent Infringement (generally):**
 - Making or using the patented invention without authorization from the patent owner
 - Offers to sell or sells within the U.S. the patented invention without authorization
 - imports into the U.S. the patented invention
 - Actively induces infringement of a patent
- **Plant Breeder's Certificate Infringement (generally):**
 - Selling, exposing, exchanging marketing the protected variety without authorization of the plant breeder
 - Offering or soliciting for sale without authorization
 - multiplying, conditioning, importing, exporting and stocking the variety without the authorization of the plant breeder



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Where Can IPR Owner Sue?

- Any U.S. District Court has subject matter jurisdiction over enforcement of U.S. patents & PVP certificates.
 - File in the court that has personal jurisdiction over the target defendant.
- International Trade Commission (ITC) has subject matter and personal jurisdiction over target defendants who import something that infringes a U.S. patent.



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Federal Court Litigation



Overview: Features of the US Judicial System

- **Adversary System**
 - Reliance on litigants to present dispute
 - Litigants and attorneys collect evidence
 - Judge's role is to make sure law is followed and fairness is achieved



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Overview: Features of the US Judicial System

- **Common Law System**
 - Law developed and interpreted by judges
 - Doctrine of legal precedent
 - Codes establish fundamental legal principles
 - Judges exercise power of judicial review



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Patent/PVP Litigation in Federal Court

- **Complaint filed in United States District Court (94 district courts)**
- **Appeal filed with the Court of Appeals for the Federal Circuit**
- **Appeal filed with U.S. Supreme Court**



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Civil Litigation

- **Typically involves legal dispute between two parties**
- **Reliance on civil law suits for enforcement**
 - 98% of all law suits settle
 - Discovery process is key
- **Extensive use of settlement procedures/alternative dispute resolution to resolve civil cases**



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Remedies

- **Patent and Plant Variety Certificates**
 - Injunction
 - Damages
 - Attorney's fees



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Injunctive Relief

- **Injunctive relief may be granted in infringement cases to prevent the violation of any right secured by patent, or PVP certificate, on such terms as the court deems reasonable.**

35 U.S.C. 283

7 U.S.C. 2563



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Injunctive Relief

- **Preliminary Injunction Four Factor Test**
 - Likelihood of success on the merits
 - Likelihood of irreparable harm if injunction is not granted
 - Balance of hardships
 - Public interest



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Damages

- Adequate to compensate for the infringement,
- No less than a reasonable royalty for the use made of the invention by the infringer, together with interest and costs as fixed by the court.

35 U.S.C. 284

7 U.S.C 2564



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Damages

- **Compensatory Damages**
 - Lost Profits
 - Royalties



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Damages

- **Increased Damages**
 - The court may increase the damages up to three times the amount found or assessed.

35 U.S.C. 284
7 U.S.C. 2564



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Attorneys' Fees

- The court in exceptional cases may award reasonable attorney fees to the prevailing party.

35 U.S.C. 285

7 U.S.C. 2565



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International Trade Commission

Exclusion Orders



Importations

- The importation into the United States, the sale for importation, or the sale within the United States after importation by the owner, importer, or consignee, of articles that infringe a valid and enforceable United States patent is unlawful.

19 U.S.C. 1337(a)(1)(B)(i)



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Benefits of an ITC Hearing

- Rapid decisions – within 12-months, with limited exceptions
- Broad injunctive relief is available
- Single *in rem* proceeding against multiple adversaries
- Customs authority enforces injunction
- Consideration of complex technical or legal issues that may otherwise elude a jury



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Trade Secret



Trade Secret Law

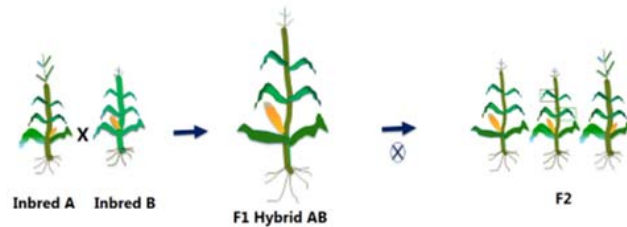


- Protects **proprietary information**, such as formulas, methods, techniques, or processes;
- Information must have **intrinsic value** derived from its secrecy and is not readily ascertainable through proper means;
- Owner **maintains** reasonable measures to keep such information **secret**;
- There is **no** specified **protection period** for a trade secret.



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Trade Secret – Plant Example



- Inbred lines (i.e., Inbred A and Inbred B) may be crossed to produce F1 Hybrid AB
- However, the seeds of F1 Hybrid AB only produces unstable varieties F2
- For this reason the inbred parent lines that produce the desirable vigorous an uniform F1 Hybrid AB are often kept as trade secrets

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Defend Trade Secrets Act 18 U.S.C. § 1836(b)



- Enacted in May, 2016
- Provides a Federal civil cause of action for trade secret misappropriation
- Remedies include, injunctive relief, compensatory damages, attorney's fees and *ex parte* seizure
- 3 year statute of limitations

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EXAMPLES OF CASES



Patent infringement case

- J.E.M. Ag Supply, Inc. v. Pioneer Hi-Bred Int'l, Inc., 534 U.S. 124 (2001)
 - JEM resold bags of Pioneer's patented hybrid seed that have limited label license that allows only the production of grain and/or forage.
 - Pioneer filed patent infringement suit against JEM.
 - JEM filed a patent invalidity counterclaim, arguing that sexually reproducing plants, such as Pioneer's corn plants, are not patentable subject matter, and PVPA and PPA set out exclusive statutory means for protecting plants.
 - *Held*: Newly developed plant breeds fall within the subject matter of §101, and neither the PPA nor the PVPA limits the scope of §101's coverage.
 - Dual protection is allowed.



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PVP infringement case

Asgrow Seed Co. v. Winterboer, 513 U.S. 179 (1995)

- **Held:** Farmer Winterboer was prohibited from selling petitioner seed company Asgrow Seed Co.'s novel seeds to other farmers beyond the amount respondent would need to grow on his own farm.
- Farmer bought from seed company two novel seed varieties protected under the Plant Variety Protection Act of 1970 (Act).
- Farmer resold the second generation of seeds produced to third-party farmers.
- See company brought suit.
- U.S. Court of Appeals for the Federal Circuit held that the Plant Variety Protection Act of 1970, permitted respondent farmer Winterboer an unlimited right to resell petitioner's protected seed under his own right.
- Supreme Court reversed



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PVP infringement case

AGSouth Genetics v. Georgia Farm Services, 22 F. Supp. 3d 1342 (M.D. Geo. 2014)

- **Held:** infringement under PVPA does not require the evidence of actual propagation. The acts "involve" propagation without authorization constitute infringement.
- willful infringement, in favor of AGSouth.
- more than \$300,000 in attorneys' fees and costs awarded to AGSouth.
- A consent decree stipulating that GFS was banned from any further propagation and sale of AGSouth's protected variety.



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PVP infringement case

Kan. Wheat Alliance, Inc. v. Thunderbird Seed Conditioning, LLC, No. 12-cv-01171-MEH (D. Colo.) 2012

- KWA filed a suit of infringement against Thunderbird for “conditioning” the seed of Darby white wheat variety
- Thunderbird filed for summary judgement denying infringement
- Court denied summary judgement and set the case for trial.
- Parties settled and stipulated to a consent decree, enjoining Thunderbird from conditioning seed in violation of KWA’s PVP rights.



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PVP infringement case

Delta and Pine Land Co. v. Sinkers Corp., 197 F. Supp. 2d 1184 (E.D. Mo. 2001)

- D&PL, a holder of PVP certificates for certain varieties of cotton filed an infringement law suit against Sinker, a delinting and conditioning cottonseed for future use as planting seed.
- **Held: defendant is entitled to judgment on all claims**
 - plaintiff failed to prove that the defendant has notice that the seed was a protected variety
 - plaintiffs failed to prove that defendant brokered or actively arranged any sales that led to the transfers of possession seed of protected varieties



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Other cases

- Showmaker v. Advanta USA, Inc., 411 F.3d 1366 (Fed. Cir. 2005)
 - Shrink-wrap license agreement is enforceable
- Pioneer Hi-Bred International v. Holden Foundation Seeds Inc (35 F.3d 1226. 1994)
 - Misappropriation of trade secrets in the acquisition of a top selling parent line of seed corn
 - PVPA does not preempt state trade secret law
 - \$46.7 million in damages to Pioneer
- United States v. Mo Hailong (Southern District of Iowa. Jan 27, 2012)
 - Hailong pleaded guilty to conspiracy to steal trade secrets from 2 U.S. seed companies and admitted to participating in the theft of inbred- or parent-corn seeds from the field in Southern District of Iowa for the purpose of transporting those seeds to China. The stolen inbred seeds constitute the valuable intellectual property of DuPont Pioneer and Monsanto.



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THANK YOU



